

(month) (day), (year)

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Participant Name(s)  
Address  
(city), (state) (zip code)

**RE:                   2006 Wetlands Reserve Program**  
**Contract No. 66-XXXX-X-XX**

**RESPONSE DUE WITHIN 15 CALENDAR DAYS OF RECEIPT OF THIS LETTER**

Dear (Participant name(s)):

By signing and returning the form AD-1159, Notice of Intent to Continue, you have indicated that you wish to continue with the enrollment process for participation in the Wetland Reserve Program (WRP). Your properly executed AD-1159 was received in this office on (date).

Attached are two copies of Form AD-1157, Option Agreement to Purchase (referred to as "AD-1157" or "Option"), offering to purchase a perpetual easement on approximately **XX** acres of land at a total price of **\$XX**. This Option reflects the estimated **MAXIMUM** compensation which you could receive for your proposed easement, based on the geographic rate cap that has been set for your area. If you wish to continue with the enrollment process based on this offer, you must sign both copies of the AD-1157 and return them to me in the enclosed envelope within 15 calendar days of receipt of this letter. Failure to return the executed forms within the prescribed timeframe will result in funds being released for use in other approved projects. Your properly executed copies will be signed and accepted by NRCS for CCC. One of these copies will be returned to you so that you will have an original, executed copy for your records.

Once we receive the signed AD-1157, NRCS will order an appraisal of your property. The final offer for this easement will depend upon the results of this appraisal. **It is important to note that the initial offer as set forth in the executed AD-1157 cannot increase as a result of the appraisal, but the offer may decrease.** Specifically, if the appraised value exceeds the geographic rate cap, the initial offer will remain the same. However, if the appraised value is less than the geographic rate cap, an amended Option Agreement to Purchase will be issued on form AD-1157a to reflect the new, lower, offer amount.

The AD-1157 deals with the purchase of the easement only. Restoration costs are not included in the figure set forth in the AD-1157.

If NRCS orders a survey to determine the exact boundaries of the proposed easement area on your property, the actual number of acres to be placed under easement may be adjusted based on this survey. If necessary, an amended Option Agreement to Purchase, form AD-1157a, will be issued to reflect the actual acres and revised total compensation amount.

Pg.2, (Participant name(s)), Option Agreement to Purchase

Also attached is a sample Warranty Easement Deed. Please review the attached documents carefully and note the following:

1. The AD-1157 and the Deed both reference the Commodity Credit Corporation (CCC). NRCS administers the Wetlands Reserve Program on behalf of the CCC and your point of contact is the local NRCS representative. CCC processes payments after authorization and approval by NRCS.
2. Special attention should be given to Section 8 of the Option. Upon application for program participation, you agreed to provide legal access and clear title to the easement area. Failure to provide either would result in failure to convey the easement and would render you liable for survey and legal costs incurred by NRCS.

Providing clear title entails either disposing of or obtaining subordinations for any liens, judgments, taxes or other encumbrances to the title. This is the landowner's responsibility. If there are mortgages against this property, you may want to contact your loan officer(s) before you sign the Option to be sure that the lien holders will be willing to subordinate. A property with a clear title will move along more quickly to closing than one with title complications that will require more time to resolve.

3. The Warranty Easement Deed is not to be signed at this time. It is attached for informational purposes only so that you know what you will be signing at the closing of the easement conveyance. There will be two exhibits attached to the Deed. Exhibit A will be the legal description of the easement area. Exhibit B will describe the ingress and egress right of way for access to the easement area.

If you have any questions, please contact me at (812) 752-2269 Ext. 3.

Gerald L. Roach  
Wetlands Reserve Program Coordinator

Enclosures: Option Agreement to Purchase - 2 Copies  
Sample Warranty Easement Deed - 1 Copy  
Stamped Addressed Envelope

cc: